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ABSTRACT

Social capital is the glue that holds a community together. It is the network of relationships among persons that can be used to get things done. Social capital is a necessary, but not sufficient, ingredient of community building. A community must mobilize its social capital and the mechanisms of its infrastructure to face and resolve collective challenges. The resources that can be assessed through informal neighborhood networks and more formal connections with human service providers, schools, churches, and others are critical in expanding opportunities available to children and parents. Recommendations for building social capital in neighborhoods suggest new roles and relationships for local governments. Creating sustainable policies will require connecting the three types of democracy found in communities: participatory, institutional, and representative. Social capital offers a way to look at the needs and potential of communities and the local governments that serve them while building a community that supports better outcomes for children and families. (Contains 40 endnotes.) (SLD)

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Building Community

Exploring the Role of Social Capital and Local Government

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Building Community

Exploring the Role of Social Capital and Local Government

PROGRAM FOR COMMUNITY PROBLEM SOLVING
A Division of the National Civic League

Prepared for the Annie E. Casey Foundation

William R. Potapchuk • Jarle P. Crocker • Dina Boogaard • William H. Schechter

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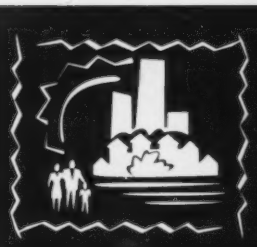

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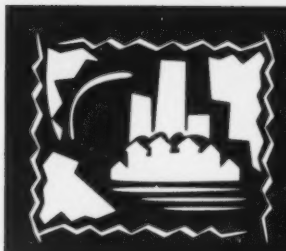


Introduction

Families without support

Youth without role models

Neighborhoods without community

Politics without civility

Collaboratives without collaboration

We know something is wrong with these all-too-frequent images of the urban landscape. Political scientists, sociologists, practitioners, and activists have worked for decades to understand the forces behind the growing disconnectedness of neighborhoods and to reweave the fabric of communities. Yet, too little progress has been made in too few places.

In the midst of these efforts, Harvard political scientist Robert Putnam gave life to community-building efforts with a two-word answer to the problem—social capital. Deceptively simple, social capital can be defined as the norms and networks of social relations that build trust and mutual reciprocity among community residents, social organizations, and civic institutions.[1]

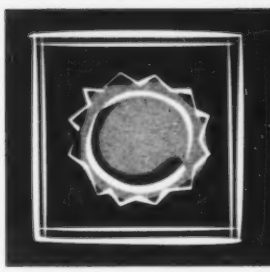
The power of social capital is unmistakable. Putnam's twenty-year study of government performance and community well-being in Italy from roughly 1970 to 1990 demonstrated that social capital is a prerequisite to healthy communities. Putnam's research concluded that those regions with social capital had thrived, while those without it had floundered.

Those who followed the argument that Putnam made in *Making Democracy Work: Civic Traditions in Modern Italy* were simultaneously enthused and discouraged.[2] They were enthusiastic about the clarity of Putnam's assertion that if you build social capital, healthy communities will follow. But they were discouraged by the time frame needed to accomplish this goal. Although Putnam's study of performance lasted twenty years, it encompassed civic traditions that were centuries old, implying that it may not be feasible to think of creating social capital in one, three, or ten years. In fact, the study seemed to indicate that several decades were needed.

Putnam is beginning to replicate his research in the United States and summarized his preliminary conclusions in "Bowling Alone," an article published in the January 1995 issue of the *Journal of Democracy*. As cited by a growing number of commentators, social capital is an essential ingredient for healthy communities. Moreover, social capital is coming to be seen as a key indicator for determining the resilience and future success of those most at-risk in our society—economically disadvantaged children and families and the distressed neighborhoods in which they often live.

Because social capital is vital to the health of families and communities, it is important to local government. Understanding the role social capital can play in influencing how local governments conduct their business is the focus of this paper. The paper begins with a discussion of what social capital is, and then examines social capital in action in the family, neighborhood, and community as a whole. It concludes by presenting strategies local governments can use to nurture the development of social capital.

A better understanding of how social capital works in communities and ways that local governments, nonprofit organizations, foundations, and the populations they serve can nurture social capital is vital if communities are to be successful in creating better outcomes for the most vulnerable segments of society.



Defining Social Capital

Social capital is the glue that holds a community together. It is the network of relationships among persons that can be used to get things done. Operating at all levels of community, it includes the neighbor who knows the children on the block and is willing to help them in an emergency, the resident police officer who coaches the soccer team, neighborhood association members who work with the mayor, and volunteers at the community center who work with the local government's parks and recreation staff.

Unlike financial capital, social capital cannot be transferred and increases with use. As Judith Gruber, a political scientist at Berkeley, puts it, social capital means that "the rich get richer."[3] Based on more than simply an ex-change of favors, social capital represents bonds of trust that impact society in a variety of tangible ways. It is the set of networks, connections, and partnerships that helps residents pool resources to engage in a range of community activities—from building a bus stop for school children to mobilizing around political issues that affect collective interests. Economically, social capital includes the "lending associations" of many immigrant communities, in which members pool their money to support new businesses and make small loans.

Unlike many theorists and activists who focus on political involvement, social capitalists believe in a foundation of communal activities and relationships. In "Bowling Alone," Putnam used bowling to illustrate the trend toward disassociation and disconnection in American communities and to draw conclusions about its impact on community life.[4] Putnam shows that while more people are bowling, fewer are involved in bowling leagues. As a result, there is one fewer setting in which people come together to talk, to have fun, and to relate with one another.

Putnam's interests extend well beyond providing opportunities for sharing a case of beer. According to Putnam, such social networks provide a valuable link to community problem solving:

> *In the first place, networks of civic engagement foster sturdy norms of generalized reciprocity and encourage the emergence of social trust. Such networks facilitate coordination and communications, amplify reputations, and thus allow dilemmas of collective actions to be resolved. When economic and political negotiation*

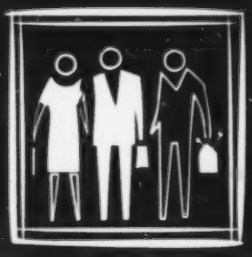
> *are embedded in dense networks of social interaction, incentives for opportunism are reduced. At the same time, networks of civic engagement embody past success at collaboration, which can serve as a cultural template for future collaboration.*[5]

According to Putnam's definition, then, social capital is the foundation for successful community collaboration. Recent polling data reinforces Putnam's research. A recent poll conducted by Harvard University, *The Washington Post*, and the Kaiser Family Foundation found that between 1964 and 1996, the percentage of Americans who say that "most people" can be trusted has dropped from 76 percent to 25 percent. Over the same period of time, this decline has mirrored the shrinking percentage of people who trust the government to "do the right thing," a number that has fallen from 54 percent to 35 percent.[6] Similarly, 41 percent of those low in social capital felt they have little say in what government does, as opposed to only 16 percent of those with strong social capital. Since successful collaborative community problem solving is built on trust, this poll reinforces Putnam's conclusion that social capital is key to success.

It is not just any kind of social capital that matters, however. In his original study of civic society in Italy, Putnam made an important distinction between two types of social capital—localized and generalized. Localized social capital developed out of the choral societies, soccer leagues, and social clubs that helped to foster the norms of trust and cooperation that make communities work. Putnam argued that it was through the creation of this more "private," localized form of social capital, that the bonds of the polity as a whole were forged. According to Putnam, low levels of localized social capital impede the ability of local governments to do civic business because the foundations of cooperation and trust are eroded at the more intimate level of individuals and the social organizations they make up.[7]

Whereas localized social capital often characterizes relationships within families, neighborhoods, and social organizations, generalized social capital refers to relationships that cross traditional boundaries, both social and physical. Community neighborhood weeks that bring diverse groups of citizens together to work on shared problems and interdenominational, church groups that come together to discuss pressing social issues are both examples of generalized social capital. For many communities, generalized social capital is an elusive commodity because it requires building relationships among diverse and sometimes contrary stakeholders. Generalized social capital requires stakeholders to go beyond tolerance to build mutual respect, reciprocity, and a sense of solidarity.

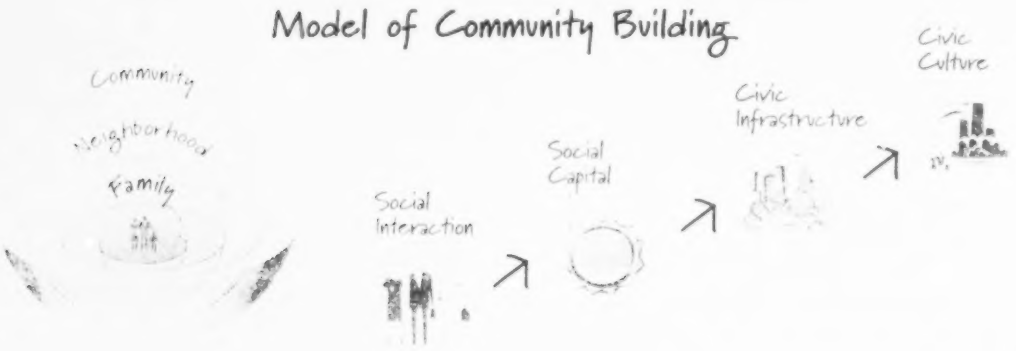
Communities need both types of social capital to thrive. Localized social capital is essential for strong families, neighborhoods, social organizations, civic associations, and other neighborhood groups. And a high level of generalized social capital that creates the capacity for trust and collaboration is needed to work collectively across sectors, cultures, and other boundaries that divide communities.



Building Community with Social Capital

Many people are beginning to interchange efforts that nurture social capital with a general notion of community building. Social capital is a necessary, but not sufficient, ingredient of community building. Indeed, it is the dynamic connection between social capital and other aspects of civic capacity that underlies a framework for both understanding the civic health of a community and developing initiatives to strengthen civic capacity.

The figure below illustrates a model for mapping out these complex relationships. In this model, family, neighborhood, and community represent the basic levels of social organization. Social interaction, social capital, civic infrastructure, and civic culture are the elements critical to building a healthy civil society. Each of these four elements is present in some form at each of the levels of social organization and link different levels of social organization together.



Before exploring how the elements along this continuum work at each of the levels, it is important to flesh out the definition of each one. ***Social interaction*** simply refers to the inevitable connections with others that individuals and organizations experience on a day-to-day basis. These interactions do not always lead to the creation of social capital, however. Social capital is less likely to be a by-product of the social interactions that result from the traditional bureaucratic approach to delivering human services (which is currently being challenged in communities across the country) than from approaches that

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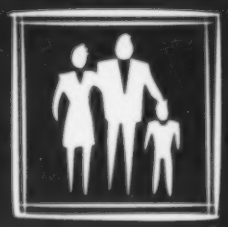
strive to include clients in decision making and to build relationships between providers and the individuals they serve. Thus, social interactions need to be structured consciously to produce the networks of reciprocal relationships characterized by social capital.

The social capital created through interactions with others is invested, in turn, in a ***civic infrastructure***. A community's civic infrastructure includes formal and informal processes of decision making, public involvement, and civic engagement. It includes "public" mechanisms such as elections, neighborhood councils, or community visioning and "private" forums such as interfaith church dialogues, negotiations among business leaders, or meetings of concerned parents. A healthy civic infrastructure is one that creates strong linkages between families, their neighborhoods, and the whole community and provides community members with ample avenues for participation in community life.

Plentiful stocks of both localized and generalized social capital are essential for a healthy civic infrastructure. Without localized social capital, families and neighborhoods often lack the internal capacity to effectively represent their interests within the community. Without generalized social capital, diverse stakeholders often lack mutual respect and trust and the collaborative decision making such attitudes enable, which makes effective use of the civic infrastructure extremely difficult.

Civic culture is defined as the sense of identity shared by a community and expressed through its character, cultural life, and politics and the way citizens and the social organizations they participate in relate to each other. Transforming civic culture requires more than one trip through the elements. Generating social capital often requires building new relationships among parts of the community that don't normally interact with each other, a task that requires patience and time. A local government that makes significant renovations to its internal organization in partnership with citizens may find that the process creates social capital that can be reinvested in the future.

Each of the four elements—social interaction, social capital, civic infrastructure, and civic culture—is essential for community problem solving. A community must be able to mobilize its supplies of social capital and the mechanisms of its civic infrastructure to face and resolve collective challenges. A weak civic infrastructure, for example, can cripple the problem-solving process in a number of ways. Formal and informal decision-making processes may exclude key stakeholders, fail to connect citizens and the neighborhoods in which they live to the broader community, or simply represent divergent interests without creating true dialogue among them. Indeed, many new "systems reform" initiatives at the local level are exploring ways to re-invent a more collaborative, inclusive, and consensus-driven civic infrastructure that can create stocks of social capital and draw upon them for community problem solving.[8]



Building Social Capital at the Family Level

Social capital plays a key role in nurturing and sustaining family life. While these webs of affiliation have always played a vital role in helping to provide basic material, social, and psychological support for children and parents alike, current demographic trends make them more important than ever. With 30 percent of all families headed by a single parent and 68 percent with a working mother,[9] the resources that can be accessed through informal neighborhood networks of social capital and more formal connections with human service providers, schools, churches, and others become especially critical. These social relationships often provide an important buffer against the effects of poverty and other challenges faced by many families today. As Edward Schor points out:

> *When the social networks that families form are characterized by mutual trust and obligation, the social capital created is greater than the sum of what individual families contribute. Children who live where overlapping relationships create an abundance of such capital, where families feel a part of a community, are likely to be less susceptible to the effects of poverty.*[10]

In addition to providing access to a variety of resources, community relationships create connections among separate and diverse parts of the community, thereby expanding opportunities available to children and parents. A mentoring program, for example, may not only provide children with the support of another adult, it may open their eyes to new possibilities for their lives. This may be particularly important in communities in which children are not exposed to life in other parts of the community. In some neighborhoods, particularly those that are isolated or economically distressed, children may grow up without leaving a ten-square block area. Localized social capital, built by healthy relationships within a child's peer group, is important to cognitive and social development and helps build leadership, teamwork, and other skills needed to succeed.

Social capital offers a variety of benefits for parents as well. Social interactions among families can provide the foundation for a range of collective efforts, from helping with day care responsibilities to representing shared interests through

the PTA, a neighborhood association, or self-help group. Involvement in nonprofit organizations, churches, and other voluntary associations can build relationships among residents and create generalized social capital, thereby improving access to jobs, education, and other opportunities.

Many experts on children and family issues argue for placing renewed emphasis on voluntary associations that provide primary support through their programs and activities, including "art, drama, and music groups; sports teams; after-school programs; religious youth groups; youth entrepreneurship and community service opportunities; and the resources of parks, libraries, community centers, and settlement houses."[11] These programs often are structured to provide benefits to the entire family, perhaps blending athletic and social activities with human-capital-building components for children while offering adults parenting classes, support groups, skill-building opportunities, and the like.

A recent report on the social effects of community development suggests that social capital is of two types—that which helps you "get by" and that which helps you "get ahead."[12] While this notion parallels the framework of localized and generalized social capital, there are some important differences. The differences reinforce the old adage that it's who you know that is important. If a family's neighbors are in a position only to help it get by, localized social capital may be of little use. On the other hand, if one's neighbors can help him or her get ahead, localized social capital may provide a bridge to the larger community—melding localized and generalized social capital in a single relationship. In profoundly disenfranchised communities, localized social capital, which is focused largely on getting by, is not enough; community-building efforts must link residents to those outside the community who can help them get ahead.

Recent efforts in Cedar Rapids, Iowa, which sought to develop a community-centered comprehensive service effort, floundered until a serendipitous social-capital-building activity was initiated and sufficiently "dense" networks of social capital were formed (see box on the next page).

By involving local organizations such as schools and churches, families were connected with existing networks of support without having to depend on Patch staff. Neighborhood residents were able to develop both formal and informal relationships with staff and one another through a variety of programs. Simply put, the greater number of and more varied the relationships, the more opportunities and incentives people have to work together in ways that create social capital of all kinds.

Learning to Kick, Punch, and Throw and Build Social Capital[13]

Borrowing from the British "patch" system of community-centered service delivery, the Iowa Department of Human Services, in partnership with the University of Iowa, allocated four child welfare social workers to serve a 10,000-resident "patch" of Cedar Rapids, a community of approximately 109,000 in Linn County. In addition to devolving responsibility to front-line workers, the initiative also sought the active participation of neighborhood residents in developing services and programs. The project staff were located in the area they served and worked in partnership with the formal and informal networks of relationships among families, neighborhoods, and social organizations (such as churches and neighborhood associations) to deliver services.

This initiative functioned through interagency teams formed to identify and solve problems. In one instance, a housing inspector, who was a member of the patch team, found a single mother socially isolated from the rest of the neighborhood (in addition to frayed wiring). Several other team members then became involved, putting the mother in touch with a local church that provided home furnishings and a Headstart program. In other cases, the Patch team used their networks of informal relationships with residents to identify potential problems and involve the appropriate local community networks before problems escalated.

Despite the flexible and supportive nature of the Patch programs, community response was flat. The number of people served did not grow as expected, and results were inconclusive.

When one of the probation officers working with the team began offering tae kwon do lessons in the gymnasium of the church where the Patch office was located, however, the Patch project became a hit. Parents of the children involved began waiting in the Patch office during lessons, talking to each other and staff about different issues they were facing. These informal discussions brought parents together in mutual support, strengthened relationships between staff and residents, and built the knowledge of the staff about the neighborhood outside of their professional relationships with residents. Not only was the office a place to receive services or learn martial arts, it became a place to gossip, connect, and relax.

Recommendations

Based on the community's experience in Cedar Rapids and a basic understanding of how social capital works in helping families get by and get ahead, several recommendations emerge for those who design family support efforts.

- **Serve the whole community, not isolated subpopulations.**

  Many social service programs target different types of at-risk families, an approach that often results in fragmented service delivery and multiple layers of bureaucracy—one for each set of problems. Such programs also may restrict contact among families, limiting the opportunities to generate social capital. In addition, service providers may focus on different parts of the problems faced by a neighborhood or community and fail to see connections among issues or view problems in their proper context.

- **Serve families in their social context.**

  Families do not grow and develop in the offices of service providers, they do so as part of the community to which they belong. Services need to be crafted to draw upon the range of social organizations that make up the

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immediate civic infrastructure of the family and neighborhood being served. Social services need to support, not replace, the naturally occurring social relationships found in a community. Including schools, churches, neighborhood associations, youth groups, and other organizations can help create dense networks of social capital by building broad foundations of support for families. Strengthening these institutions should be a goal where they are weak or non-existent.

- **Create programs that are family-focused, not just community-based.**

  Many local governments are moving to neighborhood-based human service programs, but this is only the first step. Social capital is created not simply by placing different types of people in physical proximity to each other, but by providing the kind and quality of social interaction that leads to mutual trust and relationships. By looking at families as active partners and by including them in program development and service delivery, opportunities are created for building genuine relationships among service providers and those being served.

- **Nurture the elements of a healthy community, rather than simply providing services.**

  When we imagine a healthy community, we think of safe streets and block parties, grocery stores and banks, little league and soccer, active parent groups and volunteer organizations, and vibrant neighborhood groups. Few of those attributes emerge from local government human services or an emphasis on bricks and mortar, but they require just as much attention to thrive.

- **Focus on assets, not just needs.**

  As defined by John McKnight and John Kretzman, asset mapping requires us to rethink how we map communities and categorize people.[14] While it is often necessary to respond to the needs of the community, focusing exclusively on community needs without taking assets into account is short-sighted. Cedar Rapids' Patch Project, for example, was designed primarily to respond to needs in the community, but was successful only when it capitalized on existing resources—the person who could teach tae kwon do. Identifying and tapping a multitude of community resources helps a community build its social capital.

The social capital that supports families is stitched and quilted into the social fabric and well-being of the neighborhood. Thus, building social capital in the neighborhood must be linked to efforts that support families.

Building Social Capital at the Neighborhood Level

Among researchers and practitioners who are looking at the social problems confronting children, families, and communities as a whole, there has been a growing realization of the importance of neighborhoods in creating the nuts and bolts of a working civil society.[15] In many cases, neighborhoods represent the most basic social unit—that which is closest to families and individuals. The neighborhood level is where people live and work, children go to school, and residents socialize with one another.

In order for local governments and the public to draw upon the stores of social capital in neighborhoods, it is critical to understand three things: 1) the effect that a low level of social capital has on a neighborhood, 2) the reasons that current responses to social problems overlook the importance of social capital, and 3) the role social capital can play in resolving problems at the neighborhood level.

While some people may view the complex and interrelated problems facing children and families in poor neighborhoods as almost insurmountable, recent research into these issues has begun to focus on the factors that need to be present for success. As Charles Bruner, Executive Director of the Child and Family Policy Center, explains, "There exists a rich mosaic of research and evidence on what is required within a community for its children to achieve high levels of success."[16] Three basic conditions—safety and security, social support and resiliency, and professional support and services—often make all the difference in determining whether a community is able to deal with the problems it confronts. The box on the next page lists some of the elements that contribute to these conditions.

While these factors focus on the specific needs of children, it is easy to see how they apply also the neighborhoods in which they live. Far more than a collection of social services, they speak to the key role played by networks of relationships that can be called upon to support families and neighborhoods in times of stress.

The lack of strong localized social capital in neighborhoods can have a negative impact on safety and security, social support, and access to professional help in a variety of ways. At the individual and family levels, it means fewer avenues

Conditions Needed for Children to Succeed

Safety and Security

- Physical safety and security in the home and neighborhood
- Economic security
- Environmental and public safety.

Social Support and Resiliency

- A nurturing and stable family environment
- Adult mentors and role models
- Positive peer activities
- Opportunities to exert effort and achieve success.

Professional Services and Supports

- Health care
- Schools and education
- Access to professional services to treat needs.

of support to draw upon when someone becomes ill, loses a job, needs specific social services, or has to confront any of the many problems faced by those living in distressed neighborhoods. For those on the brink of chronic poverty or family stress, it is often localized social capital that makes the difference between success and tragedy.

Relationships are equally important to a strong social fabric at the neighborhood level. The absence of neighborhood associations, church groups, or even a Neighborhood Watch can have a substantial negative impact. Without such social networks it is difficult for citizens to build relationships that encourage cooperation and allow a neighborhood to draw on its shared resources. These tasks may include the relatively simple, yet often vital, services neighbors can provide for one another such as child care or carpooling, as well as more complicated tasks such as connecting people with jobs, loans, educational opportunities, and other resources.

Social capital cannot be separated from other equally important types of capital—economic, human, intellectual, and political.[17] Economic capital refers to financial and other physical assets; human capital to the skills and assets each person brings to the table; intellectual capital to a deep understanding of the issues, problems, and potential solutions; and political capital to clout—the ability to influence formal decision making, leverage resources, commit organizations, and make connections with other stakeholders to get things done. In successful communities, social capital and these other four types of capital work together in synergy. While social capital makes it possible for organizations to work cooperatively, economic capital provides the funds for programs

and services, human capital provides needed skills and abilities, intellectual capital provides a shared understanding that allows individuals and organizations to build the common ground necessary for joint action, and political capital helps mobilize the institutions of a community to action.

An important conceptual framework to explore is the "recapitalization" of a neighborhood. Many inner-city and rural communities, for example, lack financial resources for economic development. They may also lack other forms of capital, such as political capital, that would allow them to garner financial capital from other sources. In the absence of community organizations that effectively represent their neighborhoods in the formal political process or that call upon external networks of support, access to capital may be difficult for some neighborhoods to obtain. Church groups that can call on the organizational hierarchy and community development corporations (CDCs) that can represent a neighborhood in negotiations with a bank are two examples of well-developed networks of cooperation within communities that can leverage external resources.[18]

An effort initiated by the Grace Hill settlement house in St. Louis, Missouri, illustrates how social capital at the neighborhood level can be used to mobilize untapped community resources (see box below). Grace Hill's "time dollar" program, which has been hailed as a model for future welfare-to-work initiatives, is but one way that private foundations and nonprofit organizations can work with the public sector to support distressed neighborhoods. Its success proves that community organizations often have better solutions than

If You Don't Have Money, How about Time?[19]

Murphy Blair, a neighborhood on the north side of St. Louis, Missouri, confronts many of the problems facing inner-city communities across the nation: poverty, a weak economic base, and residents eager for work but lacking needed skills and experience. Grace Hill, a nonprofit social service provider located in the neighborhood that has been serving residents since 1903, saw an opportunity to build on a resource the community had in abundance—time.

It was the realization that the existing economy based on money was failing the neighborhood that led George Eberle, Grace Hill's president, to explore ways to restructure the economy. The "time dollar" concept is relatively simple. Residents of the nine neighborhoods participating in the program earn time dollars for services they render to other residents, such as child care, cleaning, and home repair. Time dollars can be exchanged for donated food and other household items at two stores run by Grace Hill. In 1992 alone, the Member Organized Resource Exchange, or MORE program, had 1,500 neighborhood participants donating more than 116,000 hours of their time. Financial support is provided by the Robert Woods Johnson Foundation, which also funds the computer system that keeps track of the time dollars earned by neighborhood residents.

The jobs provided through the time dollar program may seem basic, but being able to get a baby sitter or a ride to work often means the difference between getting (or keeping) a job and going on welfare. The time dollar program also helps develop basic work experience and a foundation for mutual community support based on reciprocity and interdependence.

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local governments to a neighborhood's problems. Similarly, some local governments have devolved or contracted functions to church groups or community organizations. The city of Indianapolis, for example, contracts with churches to manage local parks and provide programming. In New York, where the number of civic associations has grown from 3,500 in 1977 to more than 8,000 by 1996, neighborhood groups have partnered with the city to provide after-school tutoring, economic development programs, and other key services that help strengthen the social fabric of the community.[20]

Imagine for a moment what it might cost a government agency to pay for all of the transportation, child care, and related services that enable a resident to move from welfare to work. Self-help frameworks at the neighborhood level can help local governments simultaneously reduce these operating costs as they build capacity within the community.

Local governments can also act as a catalyst for social capital in neighborhoods by including residents in planning and community problem-solving efforts. Inclusive, consensus-based processes can help foster social, intellectual, and political capital.

Local governments also can work toward developing social capital and building capacity at the neighborhood level by providing people with skills and opportunities. Hampton, Virginia's "Neighborhood College," for example, conducts an intensive four-month course for community leaders. The goal of the course is to build knowledge of how the city works and promote skill development. The city helps build relationships among participants during the course and draws upon them as an alumni group once they have graduated.

Recommendations

The following recommendations are based on the themes that cut across successful efforts to build social capital in neighborhoods.

- **Design decentralized, comprehensive, place-based programs.**

  The need to build strong relationships that use and create social capital is true not only for neighborhood residents, but also for service providers. Being located in the community gives service providers a better understanding of the local context, enables them to better identify community resources that can be utilized, and provides increased opportunities to build relationships with their clients. Comprehensive, place-based programs also make it easier to directly involve residents in collaborative programs, the planning of service delivery, and employment. If services are

provided in a local, multi-use center, a place is created for residents to gather and build relationships that foster social capital.[21] In addition, locally based service providers may provide a bridge between neighborhood institutions and opportunities throughout the community, thereby building generalized social capital.

- **Draw on neighborhood assets.**

  As when working with families, neighborhood efforts must be asset-based in order to create a setting in which social capital will grow.[22] As Marvin Cohen writes, "Projects that create opportunities for citizens to experience and constructively build on their mutuality and interdependence constitute investments in civil society. In contrast, those projects that engage their constituencies as individual clients and consumers of service, no matter how otherwise beneficial the interventions, cannot be justified on such grounds."[23] The status-quo approach to problem solving risks casting the neighborhood and its residents into a dependent relationship, treating individual problems without improving the ability of residents to address their problems autonomously or collectively.

- **Build opportunities for participation.**

  While few problem-solving efforts set out to build social capital as a direct product during their planning process, using a process that includes residents can help create an environment that encourages norms of reciprocity, trust, and mutual support—core elements of social capital. In his discussion of the role that neighborhood-based family resource centers play in building the ties of affiliation that create social capital, Charles Bruner observes:

  > *With respect to both family support and youth development programs, one essential program by-product, if not its stated goal, is the construction of much richer social bonds. Participants not only grow themselves, but serve as supports and guides to others. They congregate and, ideally, let others in. Family resource centers serve not only as points where families can meet their own needs, but as points of congregation where community-building occurs. Youth activities affect not only participants, but peer group norms and peers who may not themselves participate. . . . [T]hey create the "social capital" needed for communities to experience growth.*[24]

  Instead of identifying existing problems and then providing responses, service providers should engage the neighborhood in dialogue about local needs, interests, and priorities, thereby building social capital.

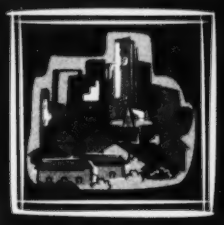
- **Serve as convenors, not diplomats.**

  All too often, local government officials serve as go-betweens, managing streams of phone calls and one-on-one meetings to smooth the way and bring about agreements. While this approach can be effective in some situations, bringing stakeholders together is typically more effective in solving problems because it fosters interaction and leads to the development of social capital. This is especially fruitful when face-to-face interaction contributes to generalized social capital; for example, when neighborhood residents are able to work with senior government officials, business leaders, and others who have access to other forms of capital needed for the community to prosper.

- **Support and respect "free space."**

  In *Free Space: The Source of Democratic Change in America*, Sara Evans and Harry Boyte focus on the safe space between home and city hall as critical to leadership development, risk taking, and learning the skills of participation.[25] In other words, sometimes its better for local government to be out of the room. Respecting free space can help communities build localized social capital and can help them organize and build the infrastructure needed for community collaboration.

By putting these principles into action, local governments can design interventions that revitalize a neighborhood and support the formation of social and other forms of capital. Most importantly, this approach fosters the trust and reciprocity that lead to action. With these norms, joint action can flourish. As Mark Bendick of the Committee for Economic Development has noted, "Without social capital to sustain problem solving within distressed communities and to link community residents to the broader society, efforts at addressing specific problems of individuals, families, and neighborhoods will make little difference."[26]



Investing in the Whole Community

In families and neighborhoods, localized social capital—those bonds that keep groups and organizations together—figures most prominently. When addressing the needs of the community as a whole, however, generalized social capital becomes necessary to mobilize resources. As Judith Gruber found in her study of growth management processes in California, success in community-wide problem solving was often determined by the ability of stakeholders to work together, which in turn required high levels of trust and cooperation. Stakeholders often have overlapping interests, power, and arenas in which they could act. In practice, this means that a minority could block programs, policies, and progress on issues that require a high degree of cooperation and collaboration.

Without generalized social capital, individual efforts often fail to add up to collective gains. Furthermore, it can become almost impossible for the daily business of local government to get done.

Social capital at the community level is different than at the neighborhood and family levels in several profound ways. At all levels of the community, social capital hinges on the web of affiliations that exists among individuals, but generalized social capital also involves the relatively intangible relationships among larger groups and organizations. The dynamic that brings a church, neighborhood association, or bowling league together is quite different from that which binds together the business community, the community college, the welfare bureaucracy, and local government in a work force development strategy.

Building social capital at the community level presents a new set of challenges. A history of racial and ethnic animosity, imbalances in political power among different segments of the community, and controversial policy decisions made in the past can erode the kind of trust and cooperation necessary for building effective communities. At the community level, it becomes more important for local governments and others involved in local governance to be cognizant of social capital and how it works.

It is possible for individual neighborhoods to have high levels of localized social capital and access to a civic infrastructure that allows them to collectively represent their interests, while they lack the generalized social capital that

makes community-wide collaboration possible. In a similar vein, communities with a history of racial and ethnic polarization may be adept at building localized social capital to organize at the neighborhood level without having developed the trust and reciprocity among diverse groups—factors that are needed to work together effectively to address shared concerns.

The experience of Charlotte, North Carolina, illustrates how building both localized and generalized social capital can result in fundamental change (see box below).

Charlotte's efforts illustrate the need for building both localized and generalized social capital. The strong network of relationships among individuals, groups, and organizations at the neighborhood level that comprise localized social capital is necessary for work to succeed at the neighborhood level. Generalized social capital and ability to work together at the community level create the potential for the community to deal with complex and interrelated structural problems such as poor racial and ethnic relations, uneven economic growth, and inequitable distribution of community resources.

Breaking New Ground—Building a City within a City

Many cities would be happy to have the problems of Charlotte, North Carolina. A burgeoning city of over 400,000 residents, Charlotte has successfully ridden the fortunes of its rapidly expanding financial industry, enjoying high levels of economic growth and general prosperity. In the early 1980s, however, the newly created Charlotte Mecklenburg Community Forum began to challenge the authority of the business community, which traditionally had acted as the community's power broker.

Deriving its strength from a coalition of neighborhood interests, the forum played a crucial role in pointing out that the fruits of Charlotte's economic expansion were being enjoyed by the suburbs while the inner city was largely left out in the cold. Using the civic index created by the National Civic League, working groups of leaders from every sector of the community focused on ten areas of community health and well-being and began to develop a realistic picture of how Charlotte's urban and suburban neighborhoods interact. In 1990, the Chamber of Commerce sponsored a "field trip" for city council, senior staff, and community leaders to illustrate the growing needs of Charlotte's once-thriving inner-city community.

This process resulted in a strong consensus that the economic and social health of the inner city was vital to the success of the community as a whole. The resulting "City within a City" (CWAC) initiative, headed by the assistant city manager, targeted seventy-three neighborhoods in the core city—the area comprised by Charlotte in 1960. While CWAC includes a variety of innovative programs, two cornerstones of the initiative were the integration of thirty city departments into nine consolidated "business centers" and the use of Neighborhood Action Plans (NAPs), a strategic planning framework that brings together multi-disciplinary teams from the city and stakeholders in the neighborhood.

Through CWAC, Charlotte has created a permanent piece of civic infrastructure that helps build social capital from the ground up. Individual neighborhoods work closely with city staff on the NAPs, a process facilitated by the reorganization of the local government's organizational structure into neighborhood-based interdisciplinary teams. These neighborhood efforts are then woven together within the broader structure of the CWAC, connecting citizens with resources, city government, and each other. The resulting network of collaborative relationships provides fertile soil for social capital to grow.

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Recent studies on these issues support anecdotal conjecture that both types of social capital are needed to create the foundation for effective community problem solving and durable civic culture. In their study of "governance nonprofits" (defined as "public-private coalition[s] in which efforts are made to aggregate citizen preferences within the framework of a broad-based nonprofit organization"), social scientists Richard Hula, Cynthia Jackson, and Marion Orr found that the success of community-based nonprofits attempting to articulate a broader political agenda was often determined by two factors: 1) the ability to create the capacity at the neighborhood level for grassroots participation in their activities and 2) the ability to engage in community problem solving with local government and other stakeholders through a community-level civic infrastructure.[28] This approach can be characterized as a "middle-out," rather than a top-down or bottom-up, strategy.[29] Middle-out strategies rely on the community leaders and organizations that have effective working relationships with both the grassroots community and traditional decision makers.

Charlotte's experience also indicates that both types of social capital need to be supported by a civic infrastructure designed to be responsive to the needs of all levels of the community, from individual families to neighborhoods to the community as a whole. One of the single greatest variables in generating a return on investments in social capital is the set of processes used by a community in making shared decisions, which includes everything from how individual social service programs are developed and administered to multi-million dollar economic development plans.

Recommendations

Several recommendations that can guide local government actions at the community level are implied by the experiences of communities and the literature on social capital.

- **Create a shared vision for the community.**

  While local governments cannot mandate racial harmony or cooperation among disputing stakeholders, they can align the way they operate with a shared vision that binds together a community and its institutions. More than just another vision statement, this translates into substantial work—overhauling individual programs and policies to support shared principles, aligning the actions of departments and agencies through systems reform, and strengthening the civic infrastructure to transform the way the community makes decisions at all levels.

- **Understand the difference between rational planning and community building.**

  All too often, local governments use the paradigm of "rational planning" to identify deficits that exist in communities and provide resources to solve the problem, rather than letting members of the community identify their own needs and priorities, engaging them to work as partners in taking action, and allowing them to develop the capacity to resolve their own problems. Throughout their decision-making processes, local governments need to pay special attention to designing programs and policies in a way that produces social capital as a by-product.[30] This does not mean switching to "irrational" planning, but it does require the local government to redefine its goals and objectives to focus on building community.

- **Act as a bridge between neighborhoods, community organizations, and social institutions.**

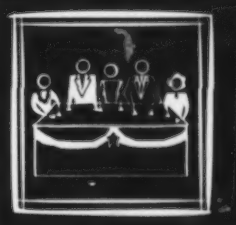
  Social capital is not something for neighborhoods to build solely on their own. Local governments should be cognizant of building relationships with all stakeholders in the daily process of governance. Where generalized social capital is lacking, the local government may want to convene decision makers, overhaul decision-making processes, sponsor dialogues, and fashion policies that encourage collaborative decision making and help build social capital. In addition, local governments often have the ability to support the work of nonprofits, neighborhood associations, local businesses, and other mediating institutions that connect individuals, families, and neighborhoods to the larger network of resources in the community.

- **Create institutional forums for action.**

  In today's world of declining resources and deep-rooted problems, local government cannot do it alone. Not only must cities align themselves with schools, counties, and the state; they must work with private, non-profit, and philanthropic sectors of the community to fully mobilize community resources. This rarely happens by accident. By building ongoing institutional forums, local governments can build social capital among key community stakeholders that leads to shared action.

- **Be a willing, able, and trusted partner.**

  If a local government is seeking to build trust and reciprocity, it must be willing to honor those norms itself. In addition, as the government seeks changed behavior from other key players, it too must be willing to change. Indeed, recent research by social capitalist Steve Smith found that when local government partners did not evolve over time into community collaboratives, stores of social capital diminished and cynicism reigned.[31]



Creating Sustainable Politics

These recommendations suggest a new set of roles and relationships for local governments. In order to successfully adapt, it is important to think about new paradigms for governance that redefine our communities, from how we conduct our social interactions to how we negotiate our shared sense of civic culture.

Social capital is not an end; it is a means for providing the capacity to engage in the hard work of community building. While much of the debate around social capital has involved how to define such an abstract concept and how it is created, there is a much harder question that is often avoided: what kind of civic culture should be created through the use of social capital?

For local governments, foundations, nonprofit organizations, and others engaged in the activities of governance, a larger conceptual framework is required to help define the new roles and responsibilities required by an emphasis on social capital. Sustainable politics is one framework that may be used to help conceptualize these new relationships. In the context of building social capital, creating sustainable politics requires connecting the three types of democracy found in communities—participatory, institutional, and representative.[32]

Participatory democracy is defined as the processes and opportunities for citizens to participate directly in the community's decision-making process. A recent report by the Kettering Foundation, "Citizens and Politics: A View From Main Street America," indicates that, far from being disinterested observers of politics, the public has a keen interest in participating in civic life.[33] Citizens often fail to act on this impulse, however, because they feel that they are disconnected from how decisions are made. Meaningful participation not only builds social capital but may address citizen apathy.

Institutional democracy refers to the formal and informal processes for negotiation, collaboration, and decision making that exist among the social, economic, and political institutions in a community. As Judith Gruber suggests, it is high levels of generalized social capital that fuels the ability of this tier of the democratic process to function effectively.[34]

Representative democracy refers to the formal institutions of government and their elected leader. It is these leaders who are often held responsible for things

working or not. In addition, these representatives and institutions often depend on social capital to support workings of democracy through political parties, community organizations, and other components of civil society.

Local governments have considerable influence over how social institutions relate to one another and how generalized social capital is utilized. Local governments are increasingly engaging nonprofit organizations, local businesses, and community groups in the process of governance. This can play a significant role in building the capacity of social institutions to work together in ways that create localized social capital in neighborhoods and generalized social capital in the community as a whole. In his analysis of social institutions and public policy, Steven Kelman, a social scientist at Harvard University, persuasively argues that one of the greatest benefits of the switch from adversarial to what he calls "cooperationist" institutions in government is the creation of "public spirit," which is the ability to set aside sectarian interests and work together for the good of the community.[35] National Civic League researchers Allan Wallis and Christopher Koziol reinforce this perspective:

> *Communities learn who they are and become what they are through the work they do, including the ways they respond to what is done to them. Community membership, or citizenship, in turn, develops by participating in community-making. . . . Community-making reciprocally restructures external agencies that participate in it. Outside agencies that effectively engage in community-making are re-made by the demands of that involvement. Those demands include that they develop with each other a sense of community.*[36]

In this instance, the local government can play a critical role in analyzing the civic infrastructure and finding places to connect participatory democracy at the neighborhood level with the community's public and private organizations. In fact, this has been a hallmark of systems-reform efforts recently initiated by many local governments. Through these efforts, local governments are re-engineering their departments, agencies, and programs to better connect with specific neighborhoods and stakeholders around shared concerns.[37]

Representative democracy also plays an important role. Elected officials can serve as catalysts for community action through facilitative leadership and by encouraging of reforms at the participatory and institutional levels. Perhaps even more important, elected officials can play a key role in developing linkages among all three aspects of democracy.[38]

It is important to stress the need for connections among individuals, their neighborhoods, the social institutions of the community, and the formal structure of local government. It is often a lack of civic infrastructure joining the

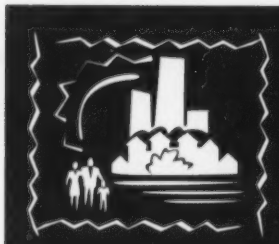
three aspects of democracy that impedes the development of localized and generalized social capital necessary for a robust civic culture.

Sustainability must extend beyond politics to the frameworks used to transform neighborhoods and to develop natural supports for families and children. These efforts must be grounded in the assets of the community and the people who live there. As the Casey Foundation learned in its New Futures initiative, such change takes time.[39] A recent report issued by the Rockefeller Foundation identifies five pillars of community building: leadership, patience, high (but realistic) expectations, community-wide capacity building, and courage and candor about race.[40]

Perhaps one of the greatest difficulties in developing a vision for building social capital in communities is the inadequacy of prescriptive models. Simply setting up a neighborhood family resource center—even if it has state-of-the-art integrated services, a re-engineered case management system, and collaborative planning program—does not guarantee the creation of social capital. Furthermore, social capital is rarely created directly even by the most thoughtful programs and policies. Each community, each neighborhood, and each family has a different set of needs, resources, and capacity for action.

What the concept of social capital does offer is another way to look at the needs and potential of communities and the local governments that serve them. In a time of rapid and fundamental change, there is a pressing need for a vision that integrates what we already know about building resilient neighborhoods and positive outcomes for children and families. Armed with a better understanding of how social capital works at all levels of the community, local governments, nonprofits, foundations, and others can re-evaluate the roles they play, the programs and policies they create, and the relationships they build. Only then can they play a critical role in transformational efforts to support better outcomes for children, families, and the neighborhoods where they live.

This change will result in new images of community life.



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14. John P. Kretzman and John L. McKnight, *Building Communities From the Inside Out: A Path Toward Finding and Mobilizing a Community's Assets* (Evanston, IL: Center for Urban Affairs and Policy Research, 1993).

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16. Bruner, *Realizing a Vision*, 12.

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19. See Peter Kilborn, "Promising Trade-Off for the Needy," *New York Times* (29 September 1996).

20. Pam Belluck, "Neighborhood Groups Take on the Work of Shrinking Governments" *New York Times* (25 February 1996) 35.

21. See Joan Wynn, et al., *Children, Families, and Communities*, 6. In their recommendations *for creating* effective social service programs for such multi-use centers, these authors suggest "four fundamental assumptions and beliefs which, although unproved, seem reasonable and plausible: 1) that primary services, as we define them, can be valuable in enhancing the development and functioning of children and families; 2) that the local community is a natural and manageable unit for planning a comprehensive service infrastructure; 3) that neighborhood residents should be involved in planning and developing the infrastructure; and 4) that residents' involvement with service providers and organizations in the planning process will contribute to community building."

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